Document No. 004 NO CHANGE APPROVED FOR Release 1999 CONTROL CIA-RDP82-00457R000200699QQ U.S. OFFICIALS ONLY INTELLIGENCE GROUP INTELLIGENCE REPORT Auth: Date: 31 DATE: 25X1X6 COUNTRY CONFI INFO. This 1 de quiment is hereby SUBJECT Attempts to Form a nce with the CONFIDENTIAL in accord DIST. 15 January 1947 Government 78 from the letter of 16 October 1 PAGES ligence to the Director of Central Into 25X1A6a States. Archivist of the United SUPPLEMENT ORIGIN 25X1X6 Next Review Date: 2 SOURCE 1. Well-informed circles believe that there is a strong possibility that Tsaldaris will resign, notwithstanding his prior adament position which has been supported by the British. 2. Venisalos and Sophoulis have achieved a working agreement regarding their participation in a coalition government excluding the EAM and KKE. Manellopowlos, chief of the National Unionist Party, and Papandreou, chief of the Democratic Socialist Party, have agreed to the basis of participation. 5. Discussions are being held with Populist Party leaders regarding the basis of a coalition. An attempted compromise by the Populist Party involving the relinquishment of the Premiership and the Ministry of Public Security with retention of the Ministries of War and Navy was rejected by Veniselos and Sophoulis. 4. There is a strong possibility of a compromise based on Tsaldaris resigning with the Populist Party retaining the Premiership, which would be held by a more moderate right-wing personality approved by the Opposition. The Populist Party would also keep the Ministries of Foreign Affairs and Mayy but would relinquish the Ministries of War, Public Security, and Economy. 5. In a meeting on 4 January with Venizelos, General Crawford, chief of British Land Forces in Greece, sought his influence for acceptance of the compromise referred to in paragraph 3 above. 6. Continued, unpublicized, sporadic but well-organized hostilities in the Southern Peloponnese togother with a marked increase in retaliatory killings in Athens and its suburbs is an important factor in seriously weakening the Government's position and is apparently compelling the British to modify their prior complete support of Tsaldaris. 25X1A6a It does not seem likely that any change is possible until after Parliament reconvenes on 16 January. The compromise mentioned in paragraph 4 above is anomalous, but it may avoid a vote of confidence against the CONFIDENTIAL crament by the party in control of Parliament. 25X1A9a 25X1A8a CLASS CATION SECRET CONTROL U.S. OFFICIAL A DEP. 4020 Fat SPDF VTO DADSO FBK FBV B DEP SWARNING NOTICE: THIS DISTRIBUTION LISTING XEC. FBI. FBX CTA-RDP82-00457R000200600002-5 ORE PUBLIC RELEASE OF THIS DOCUMENT. KETTROL Approved For Release